

bp

Steve Marshall
President, Alaska



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June 30, 2006

Congressman John Dingell
U.S. House of Representatives
Committee on Energy and Commerce
Washington, DC 20515-6115

Re: Verbal Request for Greater Prudhoe Bay Oil Transit Lines Solids Information

Dear Congressman Dingell,

I am responding on behalf of BP Exploration (Alaska) Inc. (BPXA) to a verbal request made of our Washington D.C. office requesting current Greater Prudhoe Bay Oil Transit Line (OTL) solids data. We are pleased to respond to your request and have also submitted these estimates to the United States Department of Transportation, Pipeline and Hazardous Materials Administration (PHMSA) and Alyeska Pipeline Service Company (Alyeska).

Our foremost goal has been to meet the PHMSA's directives and expectations by cleaning the lines and then assessing the integrity of these lines through smart pigging. In order to achieve this goal, we have made a very comprehensive technical assessment of the quantity and characteristics of the solids in these lines. Our efforts have included several methodologies to quantify the solids in the East Operating Area (EOA), the Western Operating Area (WOA), and the Lisburne OTLs. The primary method used was the Gamma Ray (GR) Scan technique, which has an accuracy of +/- one-half inch. The validation techniques included ultrasonic testing (UT), thermography, and velocity surveys.

In an abundance of caution, BPXA provided to Alyeska and regulators preliminary worst case scenario solids loading estimates as part of BPXA's proposed plan to pig the OTLs. Alyeska, very appropriately, performed a risk assessment of the impact that high solids might have on TAPS and concluded that sending high ("non-routine") solids via the pigging operations would be inappropriate. As a result, Alyeska requested that we not maintain pig our OTLs until a means of capturing non-routine solids could be resolved.

BPXA has completed its final solids analysis and now concludes that the volumes are actually less than 10% of the original preliminary worst case estimates. BPXA has discovered that it misinterpreted the initial solids measurements in the OTLs due to a phenomenon known as secondary radiation. BPXA reran GR Scans a second and third time to verify the accuracy of the final measurement.



At this point, we are optimistic that the solids do not present an obstacle to pigging, and we are within the basic sediment and water (BS&W) specifications required for oil transit during pigging operations. Alyeska agrees that BPXA meets the BS&W standard at the Lisburne OTL. BPXA commenced pigging of that line on June 10, 2006.

Our recent pigging results from the Lisburne OTL verify that the GR data is representative within the expected margin of error.

While the GR data indicated an average depth of 0.4 inches ($\pm \frac{1}{2}$ inch) for an estimate of ~ 11 cubic yards (yd3) of solids, the actual volume of solids from the cleaning pigging appears was reported by Alyeska to be about 1 cubic yard.

The most accurate estimations of solids loading in the GPB OTLs are listed in the table below.

OTL & Segment	Est. solids depth (in) from GR Scan	Est. solids loading (yd3) from GR Scan
Lisburne	0.4	11
EOA two segments		
FS2 - FS1	1	29
FS1 - SK50	0.6	24
WOA two segments		
GC1 - GC3	0.8	16
GC3 - SK50	1.9	70

We will continue to work closely with Alyeska and State and Federal regulators to ensure that affected parties are consulted and issues resolved prior to proceeding forward with pigging of the other two OTLs.

We greatly appreciate your concern for pipeline safety within the United States, and welcome this opportunity to demonstrate our commitment of being a prudent operator. We believe that the information provided in this letter responds to your request. If you have any questions regarding this letter, or require additional information, please call me.

Sincerely,

A handwritten signature in black ink that reads "S. Marshall". The signature is written in a cursive, flowing style.

Steve Marshall

cc:

Senator Ted Stevens
Senator Lisa Murkowski
Senator Joe Barton
Congressman Don Young
Admiral Thomas Barrett
Stacey Gerard